Entering of Memorandum of understanding with the Swiss Government

1670. SHRI ISH DUTT YADAV :

SHRI RAM AWADHESH SINGH:

SHRI BIRENDRA VERMA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have entered into an agreement with the Swiss Government under which the Indian Government could approach the Swiss banks for disclosure of numbered accounts in particular cases involving persons who had violated Indian and Swiss laws;

(b) if so, what are the details thereof; and

(c) whether under the Memorandum of Understanding (MOU) Government have asked the Swiss banks to disclose the names of persons having accounts in violation of FERA; if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). For obtaining mutual assistance in criminal matters, Government have decided that letters be exchanged between Governments of India and Switzerland. Our Mission in Berne has been suitably advised to make arrangements for the exchange of letters. Unless the proposed letters are exchanged between the two Governments, it is not feasible for the Government of India to approach the Swiss Government for obtaining any information in this regard

Liberalised Financial Assistance by NABARD to Non-Farm Sector

1671. SHRI ASHOK NATH VERMA: Will the Minister of FINANCE be pleased to refer to the answer to Starred Question 225 given in the Rajya Sabha on the 10th May, 1988 and state:

(a) whether it is a fact that National Bank of Agricultural and Rural Development (NABARD) has also reduced the margin money, for financing Non-farm activities under its Automatic Refinance Facility (ARF) Scheme stipulating a margin money of 5 per cent and 10 per cent in respect of composite integrated loan upto Rs. 3 lakhs and Rs. 5 lakhs respectively;

(b) whether it is also a fact that under 100 per cent ARF Scheme extended to scheduled commercial banks by NABARD for financing small and tiny industries upto Rs. 5 lakhs per unit by way of composite integrated loans stipulates security by way of hypothecation of assets created out of the loan assistance and no collateral security or third party guarantee is insisted to generate more employment under the new 20-Point Programme but scheduled commercial banks are absolutely not implementing such instructions of NABARD and thus not entertaining any credit proposal under NABARD ARF scheme for non-farm activities for small scale units for Rs. 5 lakhs; and

(c) what action Government have taken or proposed to take in the matter?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) National Bank for Agriculture and Rural Development (NABARD) has reported that it has not reduced the margin money for financing Non-farm activities under its Automatic Refinance Facility (ARF) Scheme.

(b) and (c) In accordance with the guidelines issued by RBI, no additional collateral security is to be obtained from beneficiaries for loans upto Rs. 5,000, in respect of agricultural and allied activities (Rs. 10,000 in respect of IRDP beneficiaries) and for loans upto Rs. 25,000, in respect of small scale industries, except hypothecation of the assets created out of bank loans.

All the banks are required to follow the above instructions. Appropriate action is taken by the banks concerned if there is any violation of these guidelines.

During 1987-88, an amount of Rs. 44.65 crores has been disbursed by NABARD to various banks under the automatic refinance scheme for non-farm activities. The banks in rural areas are availing of refinance from NABARD for assistance under the above scheme.

Term Loan by the Bank of Baroda

1672. SHRI ASHOK NATH VERMA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that recently Bank of Baroda has opened exclusively 'Industrial Finance Branch' at Parliament Street, New Delhi to provide both term loan as well as working capital from a single window to generate more employment and end poverty under the new 20-Point Economic Programme of the Prime Minister particularly for small scale sector besides medium and big sectors; if so, what are the details thereof;

(b) whether it is also a fact that the above named Branch have advised that it should largely be guided by the viability of the project while entertaining credit proposal and no collateral security by way of immovable property or third party guarantee should be insisted upon as a matter of routine particularly for small scale industrial projects set up by individuals except the assets created out of the loan required to be hypothecated so as to generate more employment under the new 20-Point Economic Programme; and

(c) what is the area of operation of the above named Branch and norms laid down by this Branch for operation of accounts?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Bank of Baroda has reported that it has opened on 20th June, 1988 an Industrial Finance Branch at 16, Parliament Street, New Delhi. The branch will be considering all advance proposals, with limits over Rs. 50 lacs for working capital term loan requirements from big medium and small scale industrial units.

(b) Bank of Baroda has reported that in processing the loan applications, the branch will continue to be guided by norms of lending viz. viability of project, adequacy of security etc. As regards obtaining collateral security and third party personal guarantee, the same are being taken not as a matter of routine but in accordance with the guidelines of Reserve Bank of India.

(c) Bank of Baroda has reported that the area of operation of the branch would comprise the metropolitan centres New Delhi and Delhi.

Activities of a Retired Air Vice-Marshal convicted for espionage

1673. SHRI KAPIL VERMA:
SHRIMATI VEENA VERMA:
SHRI RAM CHANDRA VIKAL:

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether Air Vice Marshal K. H. Larkins (Retd.) who along with his brother Major Gen. F. H. Larkins (Retd.) was convicted in 1985 for espionage had started one of the most successful reform schools in Tihar Jail;

(b) what was the impact on character and behaviour of prisoners who joined the classes and how many juveniles attending the classes came back to the Jail after their release;

(c) whether the education wing of the Human Resource Development Ministry is seriously trying to recruit Mr. Larkins as a consultant for an action plan for the education of prisoners; and

(d) whether the reform school issue has been discussed by the education officials with his Ministry, if so, what are the details thereof?